

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



BERJAYA
BERJAYA HOLDINGS (HK) LIMITED
成功控股（香港）有限公司
(incorporated in Hong Kong with limited liability)
(Stock Code: 288)

DISCLOSEABLE TRANSACTION
SALE OF PROPERTY

SUMMARY

The Board announces that on 4th October 2004, the Company as Vendor entered into a sale and purchase agreement with MWE Properties Sdn Bhd as Purchaser whereby the Vendor agreed to sell and the Purchaser agreed to purchase the Property at a cash consideration of RM2,081,240 (equivalent to HK\$4,266,542) upon the terms stipulated therein.

The Sale constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. The Company will dispatch a circular containing, inter alia, further details of the Sale, to its shareholders under the Listing Rules as soon as practicable.

SALE AND PURCHASE AGREEMENT DATED 4TH OCTOBER, 2004

1. Parties

Vendor : the Company

Purchaser : MWE Properties Sdn Bhd. Its principal business activities are property investments, property developments and property related business.

The Company confirms that, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, the Purchaser and its ultimate beneficial owner(s) are third parties independent of and not connected with the Company and any one of the directors, chief executive(s), substantial shareholders of the Company or any of its subsidiaries or any of their respective associates (as defined in the Listing Rules).

2. Property to be sold

Level 8 of Axis Complex, No. 35 Jalan Cantonment, 10350 Penang erected on land held under Grant (First Grade) Registered No. 11818, Lot No. 1233, Section 1, North East District Penang bearing the postal address of 35-7, 7th Floor, Axis Complex, Jalan Cantonment, Pulau Tikus, Georgetown, Pulau Pinang, Malaysia. The Property is to be sold subject to the existing tenancy and all applicable conditions of title issued under the relevant laws, rules and codes and free from all charges and encumbrances.

The carrying value of the Property as at 30th April, 2004 in the books of the Company is HK\$4,162,000. As calculated by reference to the carrying value of the Property (excluding the exchange difference from conversion of the Consideration into HK\$), the Company would achieve a breakeven over the carrying value of the Property for the Sale.

The Property was acquired by the Purchaser from the Developer in Malaysia in October, 1988 and the Property was then acquired by the Company from the Purchaser by way of deed of assignment dated 25 February 1993. The Developer is now in liquidation and the Official Liquidator is appointed as its liquidator. With reference to the said deed of assignment, the Vendor needs to apply to the Official Liquidator for its written consent for the Sale and for execution of a deed of reassignment in favour of the Purchaser in due course.

As stated in its 2004 Accounts, the Company has made a provision for property held for sale at HK\$1,244,000 for the Property. Before taking into account the said provision amount in deriving the operating result of the Property (as otherwise shown in its 2004 Accounts), the adjusted net profit arising from the rental income of the Property before and after tax and extraordinary items is HK\$144,000 for the year ended 30th April, 2004. The net profit arising from rental income of the Property before and after tax and extraordinary item is HK\$147,000 for the year ended 30th April, 2003.

3. Payment of Consideration

The Consideration is satisfied in cash by the Purchaser in the following manner:–

- (a) an earnest deposit in the sum of RM41,625 (equivalent to HK\$85,331) was paid in June, 2004 ;
- (b) a further deposit of RM166,499 (equivalent to HK\$341,323) has been paid upon execution of the Agreement; and
- (c) the remaining balance of RM1,873,116 (equivalent to HK\$3,839,888) will be paid within Completion Period or Extended Completion Period, as the case may be.

The Consideration was negotiated on arm's length basis and upon normal commercial terms. The Directors consider that under the prevailing market situation and for reasons given below, the Consideration and other terms of the Sale are fair and reasonable and the Sale is in the interests of the Company and its shareholders as a whole.

4. Use of proceeds

The net proceeds of the Sale, after deduction of the related legal expenses, stamp duty, governmental charges and other necessary expenses, is estimated to be approximately HK\$4,000,000, which is intended to be used as general working capital of the Group.

5. Conditions precedent

Completion of the Agreement is conditional upon, inter alia, the obtaining of written consent of the Official Liquidator for the Sale and the assignment of the Property to the Purchaser.

6. Completion

Subject to the terms of the Agreement, the Sale will be completed upon payment of the remaining balance of the Consideration by the Purchaser after the written consent of the Official Liquidator for the Sale and the assignment of the Property to the Purchaser is obtained.

If the Vendor's application to the Official Liquidator for consent is rejected or the Vendor is unable to obtain the written consent from the Official Liquidator for the Sale within the Completion Period or the Extended Completion Period (as the case may be) with no fault on the Vendor, the Purchaser may, unless otherwise agreed, rescind the Agreement and in which case, all monies paid by the Purchaser under the Agreement shall be refunded to the Purchaser without interest in accordance with the terms of the Agreement.

If the Purchaser fails to pay the remaining balance of Consideration in accordance with the terms of the Agreement, the Vendor shall forfeit RM41,625 as agreed liquidated damages and refund all other sums paid by the Purchaser towards the Consideration free of interest cost or compensation. In that case, the Agreement shall come to an end and become null and void and be of no effect and neither the Vendor nor the Purchaser shall have any further claim against the other under or in respect of the Agreement.

7. Reason for the Sale

The Company is an investment holding company. The Group is principally engaged in property investment, development and investment holding.

The Property is held by the Group for sale purpose. The Board considers that the terms of the Sale are fair and reasonable at the prevailing market situation. It is appropriate time for the Group to sell the Property and redeploy the resources for the Group's development and/or working capital as the Directors consider appropriate. Accordingly, the Board is of the view that the Sale is in the interests of the Company and of its shareholders as a whole.

8. General

The Sale constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. The Company will dispatch a circular containing, inter alia, further details of the Sale, to its shareholders under the Listing Rules as soon as practicable.

9. Definitions

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“2004 Accounts”	the audited consolidated accounts of the Company for the year ended 30th April 2004
“Agreement”	the sale and purchase agreement dated 4th October 2004 whereby the Vendor agreed to sell and the Purchaser agreed to purchase the Property at the Consideration subject to the terms stipulated therein
“Board” or “Directors”	the board of directors of the Company
“Company”	Berjaya Holdings (HK) Limited 成功控股 (香港) 有限公司, a company incorporated in Hong Kong with limited liability and whose shares are listed on The Stock Exchange of Hong Kong Limited
“Completion Period”	a period of 90 days from the date of the Agreement or 14 days from the date of the Official Liquidator’s consent whichever is the later
“Consideration”	RM2,081,240 (equivalent to HK\$4,266,542) in cash as the price for the sale and purchase of the Property as stated in the Agreement
“Developer”	developer of the Property in Malaysia
“Extended Completion Period”	an extended period of another 30 days from the Completion Period subject to payment of interest in accordance with the terms of the Agreement.
“Group”	the Company and its subsidiaries
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“Official Liquidator”	the official liquidator appointed as the Developer’s liquidator in Malaysia
“Property”	Level 8 of Axis Complex, No. 35 Jalan Cantonment, 10350 Penang erected on land held under Grant (First Grade) Registered No. 11818, Lot No. 1233, Section 1, North East District Penang bearing the postal address of 35-7, 7th Floor, Axis Complex, Jalan Cantonment, Pulau Tikus, Georgetown, Pulau Pinang, Malaysia
“Purchaser”	MWE Properties Sdn Bhd, a company incorporated in Malaysia, being the purchaser of the Property as set out in the Agreement
“RM”	Ringgit Malaysia, the lawful currency of Malaysia
“Sale”	the sale of the Property in accordance with the Agreement
“Vendor”	the Company, being vendor of the Property as set out in the Agreement

(Note: an exchange rate of RM1 to HK\$2.05 has been used herein for reference only)

On Behalf of the Board

Chan Kien Sing

Chairman

As at the date of this announcement, the Board comprises four executive directors, namely, Mr. Chan Kien Sing, Mr. Chin Chee Seng Derek, Ms. Tan Ee Ling and Mr. Wong Man Hong and three independent non-executive directors, namely, Dato’ Lee Ah Hoe, Mr. Tan Tee Yong and Mr. Leou Thiam Lai.

Hong Kong, 11th October 2004

Please also refer to the published version of this announcement in The Standard.